

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7773

BILL NUMBER: HB 1657

NOTE PREPARED: Jan 16, 2007

BILL AMENDED:

SUBJECT: Forestry issues.

FIRST AUTHOR: Rep. Denbo

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ___**GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: This bill provides deductions to an individual in determining adjusted gross income for a taxable year for (1) expenses incurred by the individual for property taxes imposed on property assessed as native forest land or a forest plantation; (2) expenses incurred by the individual for fees for the management of forests located on property assessed as native forest land or a forest plantation; (3) 50% of the part of federal adjusted gross income attributable to a net long term capital gain derived from the sale of timber; and (4) charitable contributions of property assessed as native forest land or a forest plantation. The bill authorizes the Department of Agriculture (IDOA) to develop a forest legacy award program to recognize families and organizations that have preserved forested land in Indiana for extensive periods of time. Requires the Department of Natural Resources (DNR) to: (1) implement an educational program concerning sustainable forests; and (2) maintain an inventory of forests. Establishes the forest stewardship fund. Establishes the forestry best management practices board. Requires loggers to use best management practices. Establishes penalties for not using best management practices or abating water pollution while harvesting timber. Requires the owner of timber land to register with the department 30 days before harvesting timber. Requires loggers to be licensed and to complete a master logger program and continuing education. Requires each timber harvesting site to have a licensed logger.

Effective Date: July 1, 2007; January 1, 2008.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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